



FONDI SHQIPTAR I ZHVILLIMIT
ALBANIAN DEVELOPMENT FUND

MAIN FINDINGS

BENEFICIARY ASSESSMENT **COMMUNITY WORKS IV**

CONTENT

Introduction

Methodology

List of sub-projects

A favorable climate for businesses

Intensifying business actions to expand activity

Potential and dynamics in employment

Number of tourists have doubled

Income from visitors

Accessibility as a key motivator to visit a tourist area

Visible improvement regarding living conditions

Economic instability as the main obstacle for business

Evaluating the quality of the work performed

About the author





INTRODUCTION

The aim of this material is to inform interested actors and the general public, about the findings of the study on socio-economic benefits of the community from “Community Works IV” project. Also, these results can be used to orientate similar projects in the future and to encourage discussion about the development of urban and rural areas.

In the framework of this project, with the goal to promote sustainable development of the communities, ADF has completed 21 sub-projects on infrastructure which include road interventions, renewal of urban areas, sewerage system and drinkable water supply, large interventions to revitalize the tourist sites, environmental interventions, sidewalks, lighting, green areas, tourism and information centres. The project is co-financed by the Council of Europe Development Bank (CEB), Albanian government and the municipalities which benefit from the project, WBIF. The interventions for this project were done during 2016-2020.

36.7 mil Euro **6 municipalities**
21 distinct sub-projects **11 k businesses**
4 years **365 k inhabitants**
1 mil tourists per year

A project valued 36.7 mil Euro, including 21 distinct sub-projects, implemented during a 4 year period affecting about 11k businesses overall, a population of 365k inhabitants from 6 municipalities in Albania, that are visited by about 1 mil tourist annually.

METHODOLOGY

To offer a multifaceted perspective on the impact of the “Community Works IV” project, an assessment study was conducted in July 2020* which includes:

A desk research using secondary sources including official data from national and local public institutions to provide an overview of the progress of the project of community works in the implementation areas. Three surveys conducted with **households, businesses, and tourists**:

The **Household Survey** was conducted with **1200 residents**, face-to-face interviews.

Municipality	Vlore	Himare (Qytet, Dhermi, Vuno, Jale)	Puke	Mat (Ulez)	Tropoje (Valbone)	Malesi e Madhe (Tamare)	Total
Collected interviews	749 62%	150 13%	225 19%	24 2%	22 2%	30 3%	1200 100%

The **Business Survey** was conducted with **500 informal and formal businesses**.

Municipality	Vlore	Himare (Qytet, Dhermi, Vuno, Jale)	Puke	Tropoje (Valbone)	Malesi e Madhe (Tamare)	Total
Collected interviews	325 65%	75 15%	73 15%	17 3%	10 2%	500 100%

The **Tourist Survey** was conducted with **500 tourists** in tourist sites

Zona	Himare, Dhermi, Vuno	Tamare	Valbone	Bulevardi i Vlores, Lungomare dhe Pylli i Sodes	Total
Collected interviews	211 42%	50 10%	120 24%	116 23%	500 100%

Twelve (12) focus groups with households, businesses, and municipality representatives

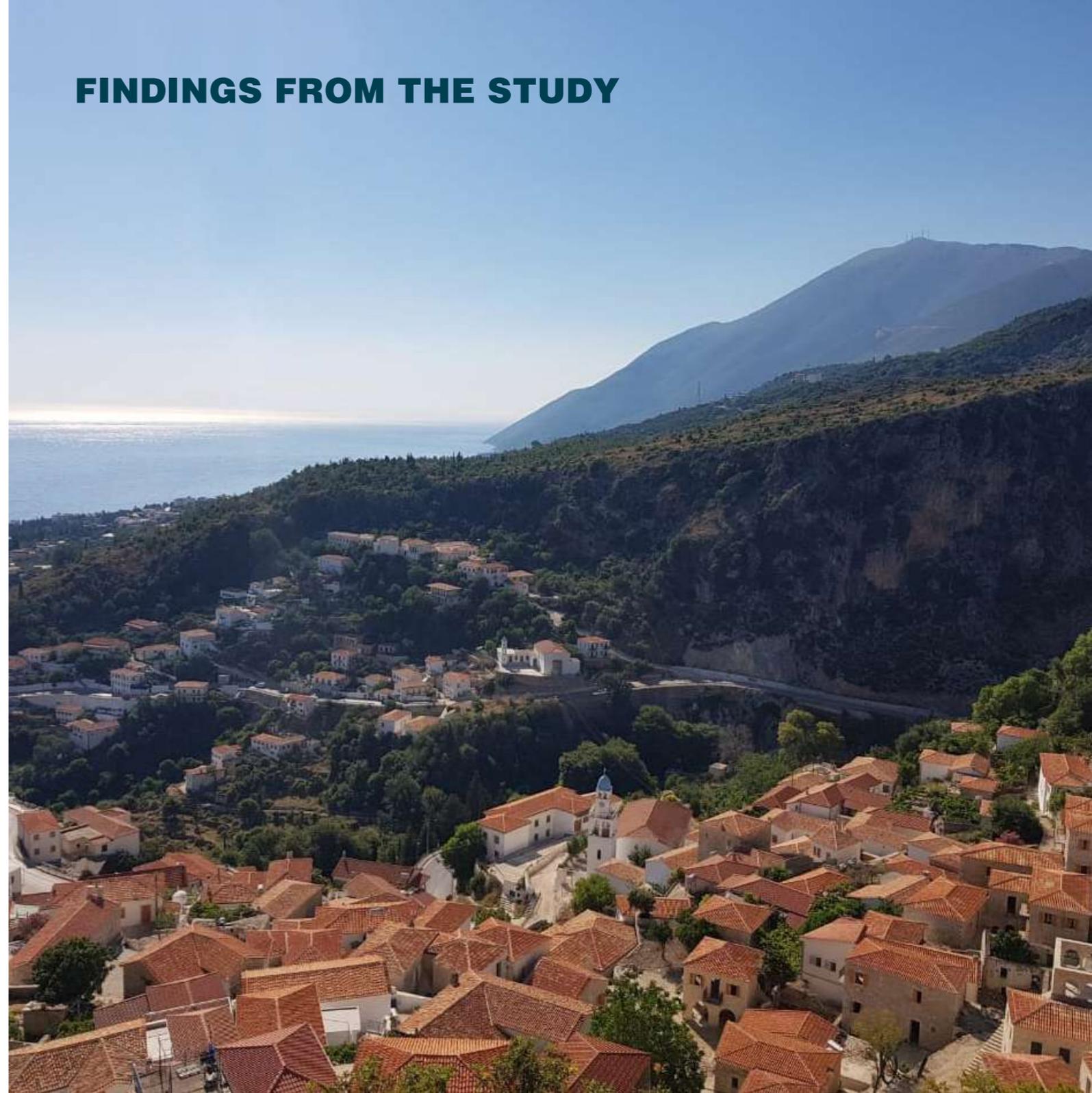
Vendndodhja	Vlore	Himare	Puke	Tamare	Total
Familje	2 x FG	2 x FG	2 x FG	-	6 x FG
Biznese	2 x FG	1 x FG	2 x FG	1 x FG	6 x FG
Total	4 x FG	3 x FG	4 x FG	1 x FG	12 x FG

**This coincides with the period when the COVID-19 pandemic was present in Albania, which has affected the entire economy and the movement of people. In this regard, the COVID-19 pandemic has significantly reduced the financial performance of businesses, residents experienced economic hardship and tourists postponed their luxury spending. Nevertheless, maximum efforts were made to achieve, firstly, the collection of data with the required standard and quality and, secondly, to provide a solid study.*

LIST OF SUB-PROJECTS

No.	Municipality	Project name
1	MAT	Reconstruction of the Ulez road, Mat municipality
2	GJIROKASTER	Facade restoration and renewal of Gjirokaster center
3	TROPOJE	Reconstruction of tourist center, Valbone
4	MALESIE MADHE	Urban renewal and construction of tourism center, Vermosh
5	MALESIE MADHE	Urban renewal of Tamara and reconstruction of the Vermosh – dogane road, river protection and bridges over the Budaçi strem
6	PUKE	Renewal of Puka center, phase I
7	PUKE	Renewal of Puka center, phase II
8-9	HIMARE	Urban renewal in the municipality of Himare, phase I & II
10	HIMARE	Urban regeneration of coastal areas in Jale and Dhermi
11	HIMARE	Construction of emergency center in Palase, rehabilitation of the stream and the parking zone in Dhermi
12	HIMARE	Urban renewal in Dhermi
13	HIMARE	Urban renewal in Vuno
14	HIMARE	Asphalt laying of two by-passes in Jale and Dhermi
15	VLORE	Reconstruction of the Kanine road
16	VLORE	Urban renewal in Vlore municipality, phase I
17	VLORE	Renewal of the roundabout Vlore phase II, as well as interventions on boulevard and Esplanade
18	VLORE	Reconstruction of the port road - pylli i Sodes
19	VLORE	Reconstruction of the “I. Qemali” boulevard
20	VLORE	Reconstruction of the rainwater drainage system in the neighborhood are of Hajro Çakerri, 4 Heronjte, 28 nentori, Vlore
21	VLORE	Rehabilitation of facades through Vlora boulevard

FINDINGS FROM THE STUDY



A FAVORABLE CLIMATE FOR BUSINESSES

93% more accommodation units

41% new businesses

- Increase in the number of businesses during the last 5 years in the municipality of Himare, Malesi e Madhe and Tropoje respectively 8%, 56% and 52%. According to the survey, 41% of surveyed businesses are open in this period;
- Larger tourist offers through increase of 93% of units accommodation for the entire investment area compared to 2015;
- 12% of surveyed businesses say they have good or very good financial performance.

“ I have a clothing store that is located on the boulevard. It has changed everything for me, now everybody has more access to my store. It has had a very positive effect.

Female Participant, FG with Businesses, Vlore

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INTENSIFYING BUSINESS ACTIONS TO EXPAND ACTIVITY

“ Before the construction of 'Lungomare', Vlore was barely a stop along the trips to the south of Albania. Now tourists book vacations in Vlore as well, and the businesses around it have flourished, they offer everything you need. Female Participant, FG with citizens. Vlore

- About 17% of businesses have invested in new equipment during 2019, about 34% of firms have improved existing equipment and 34% have improved business premises over the last 4 years;
- Tourists evaluate the quality of accommodation above the average;
- About 22% of businesses use social networks for business purposes. One in five tourists said they made the booking through booking.com or Airbnb.



POTENTIAL AND DYNAMICS IN EMPLOYMENT

67% less unemployed

41% sole entrepreneur

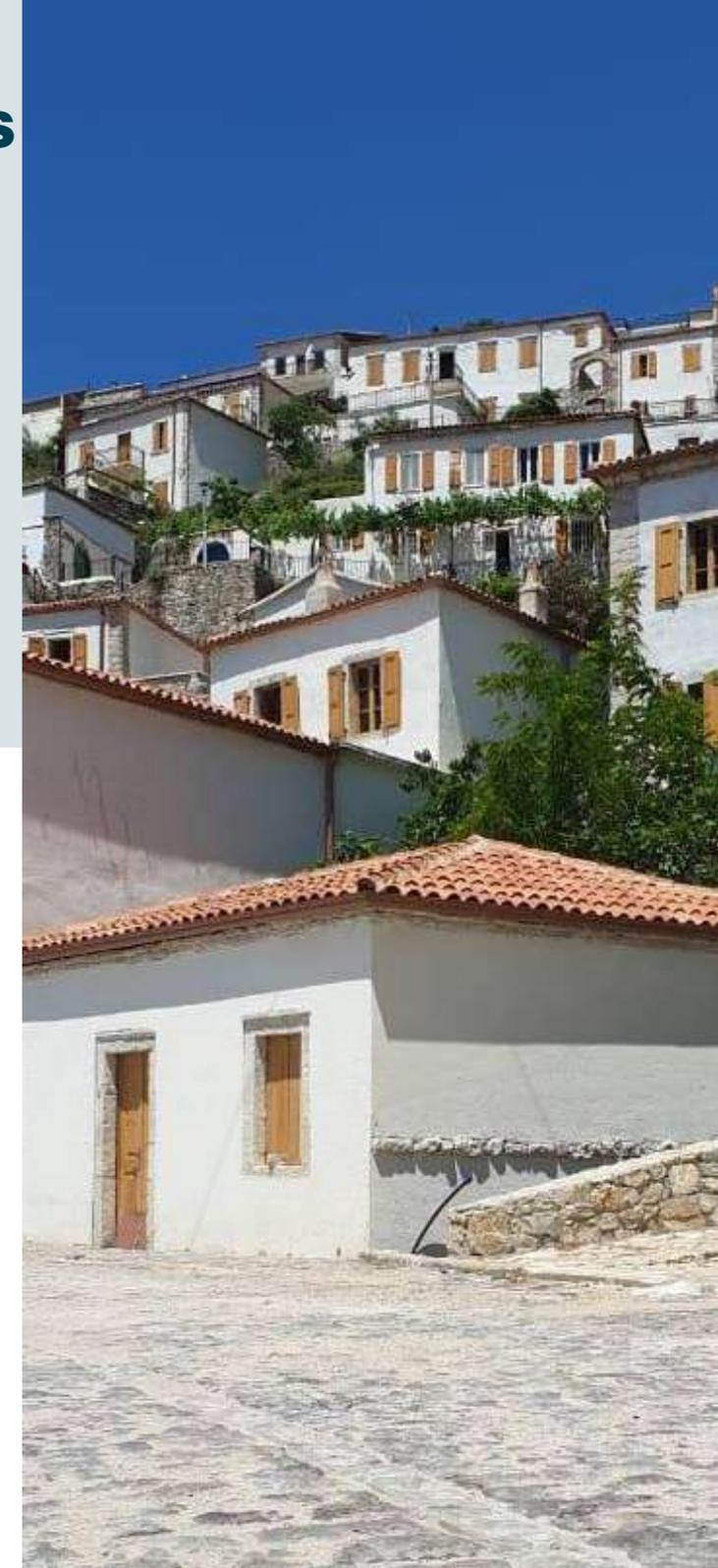
- The number of registered unemployed people has decreased by 67% in the investment area during the last 5 years, according to official data;
- Mainly in the case of businesses in Himare it was observed that people were recruited from other regions. These businesses hired about 69% of the employees in the areas in which investments were implemented. On the other hand about 41% of businesses are sole proprietorships.

NUMBER OF TOURISTS HAVE DOUBLED

Official data show that there is an increase of tourists from 0.5 to 1 million visitors from 2015 to 2019 for these areas. Moreover, most tourists consider to return to the areas they visited and would recommend the sites to their family and friends as well.

“ I have noticed that a lot of tourists stop to take pictures of the reconstructed houses on top of the hill in Vuno. I believe that it has added beauty to the scenery and it offers something original to tourists. Female Participant, FG with citizens, Himare

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INCOME FROM VISITORS

- Tourist expenditures are the highest for accommodation and food. The average amount of expenditures per tourist is about 5,500 ALL per day, while in Dhermi this amounts to 7,200 ALL;
- About 8% stated that they have bought or planned to buy local hand made products.

“

It has brought life to that part of the city where nothing was going on. The impact in tourism will be measured next summer, since the investment is new. Female Participant, FG with citizens, Vlore

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ACCESSIBILITY AS A KEY MOTIVATOR TO VISIT A TOURIST AREA

Three in four tourists say that location and accessibility, implying the system and quality of roads to reach the area, are the main reasons that motivate tourists to visit a tourist area.

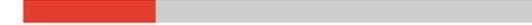
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Before these investments, Tamare was not accessible and there was nothing to see here. Now, we have the chance to promote our hometown. Female Participant, FG with businesses, Tamare

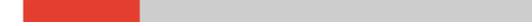
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VISIBLE IMPROVEMENT REGARDING LIVING CONDITIONS

25% fewer families in need



22% families with higher income



- 25% fewer families in need, compared to 2015 based on official sources;
- 22% of the interviewed households had an increase of incomes;
- Most dwellings had tap water and considerable increase of hours for water supply;
- More than 90% of families in Puke, Vlore and Mat had access to the sewage system;
- About 40% of households say that the value of their house has increased, while 30% say the same for rent.

“

Dhermi Boulevard has improved the quality of life for many residents, we love to take a walk there in summer nights. Tourists consider it as an attraction as well as a connection point to the beaches. Female Participant, FG with citizens, Himare

For us who are owners of hotels, water sanitation is essential and a basic need. Without it, we were not able to offer a standard service for our clients, but is getting better every year. Male Participant, FG with Businesses, Himare

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ISSUES

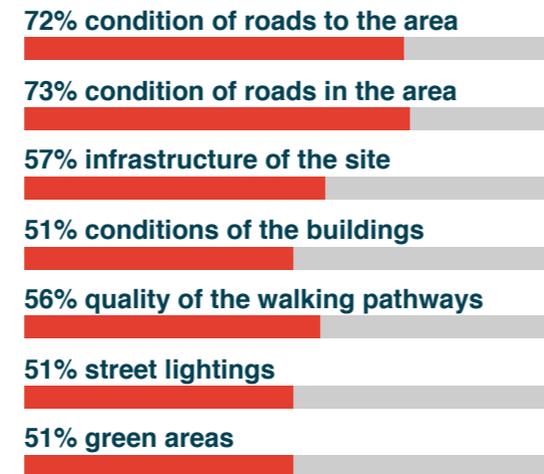
ECONOMIC INSTABILITY AS THE MAIN OBSTACLE FOR BUSINESS

About 70% of businesses say that economic instability is the biggest issue that their activity faces. Second comes the issue related to tax rate (19%). For operational and business growth aspect the most mentioned problem is finding experienced employees (24%) and taxes on salaries and social security contributions (8%). Most businesses (77-80%) said that the government should increase investment and support to improve infrastructure as well as other tourism-related activities such as organizing events to promote tourism and participation in tourism activities.



EVALUATING THE QUALITY OF THE WORK PERFORMED

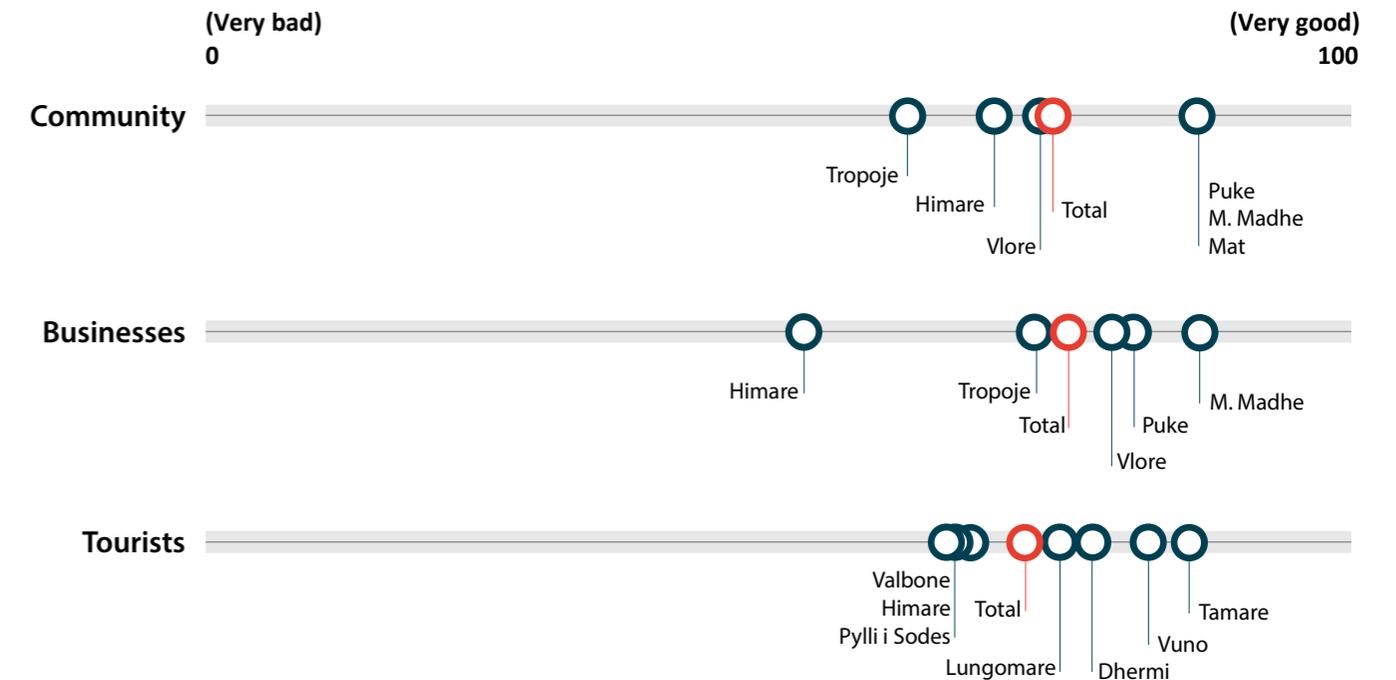
Businesses claim that compared to 4/5 years ago, the following has improved: the condition of the roads to the area (72%) and in the area (73%), the infrastructure of the site (57%), the conditions of the buildings (51%) quality of the walking pathways (56%), street lightings (51%), and green areas (51%). Furthermore, more than half of families stated that these infrastructure elements have improved compared with 2015. The tourists also expressed high evaluation regarding the quality of the works performed.



“ Besides the lake and the boulevard, what has really changed the face of Puke are the house facades which are visually pleasing and give the city a modern look. Female participant, FG with citizens, Puke ”

The following is a general indicator which measures the satisfaction of the community, businesses and tourists. It shows that overall the respondents are satisfied with the infrastructure elements, scoring 75 points for the community, 76 points for businesses and 72 points in case of tourists. Note that infrastructural elements mean roads, arrangement of facades and squares along with promenades and other aspects related to infrastructure.

According to the data from the household survey, Puke, Ulez and Tamare are better scoring with 88 and 87 points out of 100 based on the indicator. This is a very good result according to the interpretation of this indicator. In the case of businesses, the highest value results in the case of Tamare, followed by Puke and Vlore (87, 82, 80 points respectively), while Himare achieves 53 points out of 100.



It is important to note that, unlike the results of the community and business survey, in the case of tourists there is not a considerable difference between the sites when considering this indicator. In the same line as above, we can mention that the lowest score is achieved in case of “Pylli i Sodes” with 65 points, but very close to Himare and Valbone. It should be emphasized that tourists are satisfied with the infrastructural elements in the tourist sites where the investment has been performed.

ABOUT THE AUTHOR

This study has been prepared by IDRA Research & Consulting with the support of the Albanian Development Fund (ADF).

IDRA Research & Consulting

IDRA Research & Consulting is a leading opinion and market research company with offices in Tirana (Albania) and Pristina (Kosovo) operating in the region and beyond. IDRA Company (www.idracompany.com), established in 2006 in Tirana, is a spinoff from the Institute for Development Research & Alternatives (www.idrainstitute.org) established in 2000) and has more than 20 years of experience in conducting research and providing consultancy for projects for international and domestic companies or institutions. Starting from 2018 IDRA has an office unit in Vietnam.

Albanian Development Fund

The Albanian Development Fund (ADF) is a development organization able to respond to challenges and partners' demands in function of Albania's sustainable development. Established in 1993, ADF counts a 25-year experience in the development of infrastructure, urbanization, tourism and cross-border cooperation. For more information, see: www.albaniandf.org/en/





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